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BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA,

Petitioner,

VS.

PERRY A. WHITE,

Respondent.

ION JAN 2.4 2018

REAL ESTATE COMPANISSION

Case No. 2016-2032

DECISION

This matter came on for hearing before the Nevada Real Estate Commission, State of Nevada ("Commission") on Tuesday, December 5, 2017, and Wednesday, December 6, 2017, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada. Respondent Perry A. White ("Respondent") did not attend or make himself available to testify at the hearing, but was represented by legal counsel, Jill B. Rowe, Esq. and Scott A. Marquis, Esq. Keith E. Kizer, Senior Deputy Attorney General, appeared and prosecuted the Complaint on behalf of petitioner Sharath Chandra, Administrator of the Real Estate Division, Department of Business & Industry, State of Nevada ("Division").

The matter having been submitted for decision based upon the allegations of the Complaint, the Commission now enters its Findings of Fact and Conclusions of Law as follows:

FINDINGS OF FACT

The Commission, based upon the evidence presented during the hearing, finds that there is substantial evidence in the record to establish each of the following:

- 1. Respondent was licensed as a Broker by the Division under license number B.0034578.CORP, until November 7, 2016.
- 2. Respondent is licensed as a Broker Salesperson under license number BS.0034578, and is currently in active status.

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- 3. Respondent was the broker for Marcus & Millichap Real Estate Investment Services of Nevada, Inc. ("Marcus & Millichap"), at the times at issue herein.
- 4. The Division received notice that a California real estate licensee, Gordon Allred ("Allred"), was listing properties within the State of Nevada for sale.
 - 5. Allred is not and has never been licensed by the Division.
 - 6. Allred has never held a Cooperative Certificate from the Division.

1101 South Highway 160, Pahrump, Nevada

- On or about January 27, 2016, Respondent entered into a Marcus & Millichap "INTERSTATE BROKERAGE COOPERATION AGREEMENT - TURF STATE" ("Best Western Agreement") with Allred regarding the sale and marketing of the Best Western Pahrump Oasis property, located at 1101 South Highway 160, Pahrump, Nevada.
- 8. Allred is listed as an out-of-state real estate broker and/or salesperson affiliated with Marcus & Millichap.
 - 9. Respondent is listed as the Broker of Record.
- 10. Marcus & Millichap indicated on its "NEVADA (TURF) Out of State Checklist" for this property that "[a]ll deals in Nevada must have a Nevada licensee on each side of the deal or each outof-state agent must obtain a Certificate of Cooperation through the Nevada Real Estate Department ..." (Emphasis in original.)
- 11. Said checklist also states that "[o]ut-of-State agents may never have their names or contact information on any marketing material unless they have obtained a Certificate of Cooperation." (Emphasis in original.)
- 12. Per the Best Western Agreement, no out-of-state agent information shall be included on any marketing/advertising materials, and Respondent's name must be included on all advertising/marketing materials.
- 13. Respondent acknowledged, pursuant to the Duties Owed by a Nevada Real Estate Licensee Form, to abide by all other duties, responsibilities and obligations required of the licensee in law or regulations.

- 14. The listing agents for this property were indicated as Allred (with an 80% fee) and Timothy Watkins ("Watkins") (with a 20% fee).
- 15. The advertisement and Offering Memorandum for this property was exclusively listed by Allred (under his California real estate license) and Watkins (under his Nevada real estate license).
 - 16. Allred is listed on the "Marketing Team" for this property.
 - 17. Allred presented the "Marketing Positioning and Pricing Analysis."
- 18. On or about February 23, 2016, Allred emailed the seller with questions on gaming limits and restrictions in regards to the property.
- 19. On or about February 29, 2016, Marcus & Millichap sent the seller a letter thanking him for permitting Allred to market the property.

650 West Front Street, Battle Mountain, Nevada

- 20. On or about February 9, 2015, Respondent entered into a Marcus & Millichap "INTERSTATE BROKERAGE COOPERATION AGREEMENT TURF STATE" ("Battle Mountain Inn Agreement") with Allred regarding the sale and marketing of the Battle Mountain Inn & Suites property, located at 650 West Front Street, Battle Mountain, Nevada.
- 21. Allred is listed as an out-of-state real estate broker and/or salesperson affiliated with Marcus & Millichap.
 - 22. Respondent is listed as the Broker of Record.
- 23. Per the Battle Mountain Inn Agreement, no out-of-state agent information shall be included on any marketing/advertising materials, and Respondent's name must be included on all advertising/marketing materials.
- 24. The listing agents for this property were indicated as Allred (with a 50% fee) and Watkins (with a 50% fee).
- 25. Respondent was sent a Memorandum from Allred requesting Respondent to approve the listing of the property.
- 26. Said Memorandum indicated that "[o]nly in the event the Out-Of-State License has a obtained a Certificate of Cooperation from the Nevada Real Estate Commission may he/she perform any acts (listing or selling) otherwise requiring a real estate license in Nevada." (Emphasis in original.)

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27. Respondent acknowledged, pursuant to the Duties Owed by a Nevada Real Estate Licensee Form, to abide by all other duties, responsibilities and obligations required of the licensee in law or regulations.

4300 West Tropicana Avenue, Las Vegas, Nevada

- 28. On or about February 9, 2015, Respondent entered into a Marcus & Millichap "INTERSTATE BROKERAGE COOPERATION AGREEMENT - TURF STATE" ("Las Vegas Hotel Agreement") with Allred and James Yang ("Yang") regarding the sale and marketing of the Las Vegas Hotel Casino Development Site property, located at 4300 West Tropicana Avenue, Las Vegas, Nevada.
- 29. Allred is listed as an out-of-state real estate broker and/or salesperson affiliated with Marcus & Millichap.
- 30. Yang is listed as an out-of-state real estate broker and/or salesperson affiliated with Marcus & Millichap.
 - 31. Respondent is listed as the Broker of Record.
- 32. Per the Las Vegas Hotel Agreement, no out-of-state agent information shall be included on any marketing/advertising materials, and Respondent's name must be included on all advertising/marketing materials.
- 33. The property is advertised as exclusively listed by Allred, Yang and Ray Germain ("Germain").
- 34. The listing agents for this property were indicated as Allred (with a 34% fee), Germain (with a 33% fee), and Yang (with a 33% fee).
 - 35. Marcus & Millichap advertised an Exclusive Land Offering by Allred.
 - Allred sent Respondent a Memorandum for marketing and advertising Nevada deals. 36.
- 37. Said Memorandum indicated that "[o]nly in the event the Out-Of-State License has a obtained a Certificate of Cooperation from the Nevada Real Estate Commission may he/she perform any acts (listing or selling) otherwise requiring a real estate license in Nevada." (Emphasis in original.)

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CONCLUSIONS OF LAW

The Commission, based upon the preponderance of the evidence, makes the following legal conclusions:

- Respondent received proper notice of the hearing pursuant to NRS Chapters 645 and
 233B and NAC Chapter 645.
- 2. Respondent violated NRS 645.235(1)(b) on three (3) occasions by knowingly assisting or offering to assist another person or persons to engage in activity for which a license, permit, certificate or registration or any type of authorization is required pursuant to NRS 645, or any regulation adopted pursuant thereto, even though that person or persons did not hold the required license, permit, certificate or registration or has not been given the required authorization; and/or NRS 645.252(2) by not exercising reasonable skill and care with respect to all parties to the real estate transaction.

ORDER

IT IS HEREBY ORDERED that Respondent shall pay to the Division a total fine of \$16,624.33. The total fine reflects a fine of \$5,000.00 for each of three above violations of law plus \$1,624.33 for hearing and investigative costs. Respondent shall pay the total fine to the Division within thirty days of the effective date of this Order. Failure to timely pay the total fine and costs shall be construed as an event of default by Respondent. In the event of default, Respondent's real estate license shall be immediately suspended. The suspension of his license shall continue until the total fine is paid in full. The Division may institute debt collection proceedings for failure to timely pay the total fine.

The Commission retains jurisdiction for correcting any errors that may have occurred in the drafting and issuance of this Decision.

This Order shall become effective on the <u>25th</u> day of <u>February</u> 2018.

DATED this <u>23</u> day of <u>January</u>, 2018.

REAL ESTATE COMMISSION STATE OF NEVADA

President, Nevada Real Estate Commission